

CLAY COUNTY, KANSAS
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

CLAY COUNTY

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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Clay County, Kansas

We have audited the accompanying primary government financial statements of Clay County, Kansas, as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of Clay County, Kansas' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards and guidance require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statements referred to above do not include the financial data of component units of Clay County, Kansas, as of December 31, 2008.

As described more fully in Note A, Clay County, Kansas, has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph and because they do not include the financial data of component units of Clay County, Kansas, the primary government financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Clay County, Kansas, as of December 31, 2008, or the changes in its financial position for the year then ended.

MEMBERS:

American Institute of
Certified Public Accountants

Kansas Society of Certified
Public Accountants



Board of County Commissioners
Clay County
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In our opinion, the primary government financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of the primary government of Clay County, Kansas, as of December 31, 2008, and its cash receipts and expenditures, and budgetary comparisons for the year then ended, on the basis of accounting described in Note A.

Pottberg, Gassman & Hoffman, Chartered

Pottberg, Gassman & Hoffman, Chartered
Junction City, Kansas
November 20, 2009

CLAY COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Funds</u>	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and A/P	Ending Cash Balance
General Fund	\$ 1,863,842	2,529,855	3,050,321	1,343,376	49,583	1,392,959
Special Revenue Funds:						
Road and Bridge	15,874	1,733,349	1,739,887	9,336		
Health	40,714	654,136	667,769	27,081	21,903	31,239
Historical Records	-	39,006	39,006	-	10,569	37,650
Noxious Weed	35,457	252,094	251,405	36,146	579	36,725
Courthouse Maintenance	26,739	188,679	5,750	209,668	-	209,668
Special Alcohol	24,912	10,589	11,085	24,416	-	24,416
Special Parks & Recreation	5,964	2,733	3,300	5,397	-	5,397
Employee Benefits	229,382	1,257,295	1,254,163	232,514	910	233,424
Emergency 911	44,167	30,731	28,629	46,269	294	46,563
Noxious Weed Capital Outlay	71,058	12,000	1,800	81,258	-	81,258
Waste Disposal	106,654	440,156	426,989	119,821	2,523	122,344
Waste Disposal Capital Outlay	77,836	50,000	38,600	89,236	-	89,236
Economic Development	151,091	264,706	96,649	319,148	32	319,180
Special Bridge	200,509	216,908	242,197	175,220	2,592	177,812
Cell Phone 911	15,520	17,438	1,111	31,847	-	31,847
Equipment Reserve Fund	127,982	292,000	56,392	363,590	-	363,590
Concealed Hand Gun	1,480	320	-	1,800	-	1,800
Special Highway Improvements	188,105	301,515	-	489,620	-	489,620
Clay Counts - Prevention	-	37,826	39,193	(1,367)	1,367	-
Sheriff's Drug Asset Forfeiture	5,691	-	1,735	3,956	-	3,956
Registered Offender	-	360	-	360	-	360
Solid Waste Landfill Improvement	315,174	50,000	-	365,174	-	365,174
Ambulance Grant	5,028	4,441	8,507	962	-	962
Citizens Corp Grant	3,885	-	-	3,885	-	3,885
Register of Deeds Technology	42,798	10,224	10,983	42,039	-	42,039
Emergency Management Grant	-	-	8,049	(8,049)	8,049	-
Debt Service Fund:						
Bond and Interest	46,583	186,265	189,514	43,334	-	43,334
Capital Project Fund:						
Bridge Improvement Sales Tax	1,219,884	502,762	447,965	1,274,681	-	1,274,681
Landfill Post-Closure	617,729	46,966	652	664,043	-	664,043
2002 Series A Bond	203,149	7,115	-	210,264	-	210,264
Expendable Trust Funds:						
Sheriff's Benefit	12,665	1,659	1,148	13,176	-	13,176
Sheriff's Inmate	28,131	27,765	53,524	2,372	-	2,372
Ambulance Special Equipment	1,446	248	-	1,694	-	1,694
Ambulance Service	(3,605)	270,886	267,210	71	-	71
Total Primary Government (Excluding Agency Funds)	\$ 5,725,844	9,440,027	8,943,533	6,222,338	98,401	6,320,739

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

Composition of Cash

United Bank & Trust, Clay Center	
NOW account checking	\$ 646,698
NOW account checking (Clerk of the District Court)	12,176
NOW account checking (Ambulance Service)	71
Money market account	112,878
Savings (Ambulance Service)	1,694
Union State Bank, Clay Center	
Money market account	195,971
NOW account checking	313,949
Savings (Sheriff's Benefit)	10,180
Checking (Sheriff's Benefit)	2,997
Checking (Sheriff's Inmate)	2,372
Union State Bank, Clay Center	
#67594	100,000
#67859	6,150
#67955	100,000
#67956	100,000
#67959	100,000
#67960	1,000,000
#67961	1,000,000
#67981	500,000
#67984	200,000
#67985	1,743,000
#67988	500,000
#67994	500,000
#67995	500,000
#68000	1,000,000
#68005	1,500,000
United Bank & Trust, Clay Center	
#316170	300,000
#316174	500,000
#316578	1,000,000
#316602	500,000
#316649	600,000
Farmers and Merchants State Bank, Wakefield	
Certificate of Deposit	
#10214	100,000
#10218	100,000
#10247	200,000
Clay County National Bank, Clay Center	
Certificate of Deposit	
#95720	200,000
Citizens National Bank	
Certificate of Deposit	
#401255	100,000
Cash on hand	850
<u>Total Cash</u>	\$ 13,748,986
Agency Funds Per Statement 6	7,428,247
<u>Total Primary Government (Excluding Agency Funds)</u>	\$ 6,320,739

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
General Fund	\$ 3,701,092	-	3,701,092	3,050,321	(650,771)
<u>Special Revenue Funds:</u>					
Road and Bridge	1,937,986	-	1,937,986	1,739,887	(198,099)
Health	663,396	-	663,396	667,769	4,373
Historical Records	39,318	-	39,318	39,006	(312)
Noxious Weed	325,699	-	325,699	251,405	(74,294)
Courthouse Maintenance	176,305	-	176,305	5,750	(170,555)
Special Alcohol	32,708	-	32,708	11,085	(21,623)
Special Parks & Recreation	9,071	-	9,071	3,300	(5,771)
Employee Benefits	1,340,528	-	1,340,528	1,254,163	(86,365)
Emergency 911	91,305	-	91,305	28,629	(62,676)
Noxious Weed Capital Outlay	81,598	-	81,598	1,800	(79,798)
Waste Disposal	442,110	-	442,110	426,989	(15,121)
Waste Disposal Capital Outlay	157,217	-	157,217	38,600	(118,617)
Economic Development	169,522	-	169,522	96,649	(72,873)
Special Bldge	418,465	-	418,465	242,197	(176,268)
Cell Phone 911	50,792	-	50,792	1,111	(49,681)
Equipment Reserve Fund				56,392	
Concealed Hand Gun				-	
Special Highway Improvements				-	
Clay Counts - Prevention				39,193	
Sheriff's Drug Asset Forfeiture				1,735	
Registered Offender				-	
Solid Waste Landfill Improvement				-	
Ambulance Grant				-	
Citizens Corp Grant				8,507	
Register of Deeds Technology				-	
Emergency Management Grant				10,983	
				8,049	
<u>Debt Service Fund:</u>					
Bond and Interest	239,208	-	239,208	189,514	(49,694)
<u>Capital Project Fund:</u>					
Bridge Improvement Sales Tax					
Landfill Post-Closure	447,983	-	447,983	447,965	(18)
2002 Series A Bond				652	
				-	
<u>Expendable Trust Funds:</u>					
Sheriff's Benefit				1,148	
Sheriff's Inmate				53,524	
Ambulance Special Equipment				-	
Ambulance Service				267,210	

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance- Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 1,125,894	985,701	982,557	3,144
Delinquent tax	7,416	8,974	-	8,974
Interest and charges on delinquent tax	12,064	21,122	10,000	11,122
Motor vehicle tax	196,146	156,716	160,221	(3,505)
Recreational vehicle tax	2,990	2,292	2,443	(151)
16/20M Truck Tax	17,016	14,612	12,511	2,101
Intangible tax	41,829	48,035	46,983	1,052
Local retailers sales tax	241,838	260,757	210,000	50,757
Rental vehicle excise tax	35	50	-	50
Local alcoholic liquor tax	3,244	2,733	3,500	(767)
Transient Guest tax	-	-	6,000	(6,000)
Flood control	2,439	3,212	2,000	1,212
Licenses, Permits and Fees:				
Mortgage registration tax	81,713	75,998	50,000	25,998
Officers' fees	34,332	34,114	28,000	6,114
Motor vehicle registration fees	19,444	41,830	15,000	26,830
Cereal malt beverage and club license	(50)	(50)	-	(50)
Drivers' licenses and notary fees	2,254	1,507	2,500	(993)
Diversion fees	8,735	6,075	5,000	1,075
Uses of Money and Property:				
Interest on investments	330,104	174,766	300,000	(125,234)
Other:				
Prisoner Board	197,639	163,998	200,000	(36,002)
Dispatcher and civil defense reimbursements	35,097	91,770	60,000	31,770
Reimbursements and miscellaneous	33,969	52,034	50,000	2,034
Radio standby	19,278	3,300	3,300	-
Ambulance Services	197,489	267,162	200,000	67,162
Mowing	-	-	14,000	(14,000)
Sale of Real Estate	5,250	72,076	-	72,076
Federal Payment In Lieu of Taxes	25,879	41,071	-	41,071
<u>Total Cash Receipts</u>	<u>\$ 2,642,044</u>	<u>2,529,855</u>	<u>2,364,015</u>	<u>165,840</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance- Over (Under)
<u>Expenditures</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<u>County Commission</u>				
Personal Services	\$ 36,099	37,183	35,152	2,031
Contractual Services	3,563	1,916	2,000	(84)
Commodities	94	21	200	(179)
Capital Outlay	-	-	-	-
<u>Department Total</u>	<u>39,756</u>	<u>39,120</u>	<u>37,352</u>	<u>1,768</u>
<u>County Clerk</u>				
Personal Services	92,995	107,825	98,332	9,493
Contractual Services	2,327	2,269	2,200	69
Commodities	645	846	500	346
Capital Outlay	-	72	-	72
<u>Department Total</u>	<u>95,967</u>	<u>111,012</u>	<u>101,032</u>	<u>9,980</u>
<u>County Treasurer</u>				
Personal Services	100,465	104,472	107,666	(3,194)
Contractual Services	968	1,425	1,000	425
Commodities	632	263	1,400	(1,137)
Capital Outlay	-	-	-	-
<u>Department Total</u>	<u>102,065</u>	<u>106,160</u>	<u>110,066</u>	<u>(3,906)</u>
<u>County Attorney</u>				
Personal Services	76,146	82,271	90,704	(8,433)
Contractual Services	6,659	11,234	9,700	1,534
Commodities	1,918	1,845	1,100	745
Capital Outlay	378	322	-	322
<u>Department Total</u>	<u>85,101</u>	<u>95,672</u>	<u>101,504</u>	<u>(5,832)</u>
<u>Register of Deeds</u>				
Personal Services	63,386	65,597	74,884	(9,287)
Contractual Services	2,210	1,866	4,900	(3,034)
Commodities	3,247	1,796	4,900	(3,104)
Capital Outlay	4,971	1,947	-	1,947
<u>Department Total</u>	<u>73,814</u>	<u>71,206</u>	<u>84,684</u>	<u>(13,478)</u>
<u>Sheriff and Jail</u>				
Personal Services	500,141	535,026	637,307	(102,281)
Contractual Services	54,817	84,172	57,000	27,172
Commodities	142,786	108,721	74,482	34,239
Capital Outlay	2,370	13,798	-	13,798
<u>Department Total</u>	<u>700,114</u>	<u>741,717</u>	<u>768,789</u>	<u>(27,072)</u>
<u>Unified Court</u>				
Contractual Services	79,433	96,775	109,963	(13,188)
Commodities	6,780	6,888	-	6,888
Capital Outlay	1,726	10,280	-	10,280
<u>Department Total</u>	<u>87,939</u>	<u>113,943</u>	<u>109,963</u>	<u>3,980</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance- Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<u>Expenditures, Continued</u>				
<u>Custodian</u>				
Personal Services	26,228	27,619	57,500	(29,881)
Contractual Services	3,040	801	15,000	(14,199)
Commodities	921	1,987	1,000	987
Capital Outlay	510	-	-	-
<u>Department Total</u>	<u>30,699</u>	<u>30,407</u>	<u>73,500</u>	<u>(43,093)</u>
<u>Emergency Preparedness</u>				
Personal Services	3,600	4,800	4,420	380
Contractual Services	499	947	600	347
Commodities	408	219	2,500	(2,281)
Capital Outlay	-	-	-	-
<u>Department Total</u>	<u>4,507</u>	<u>5,966</u>	<u>7,520</u>	<u>(1,554)</u>
<u>Courthouse General Expenses</u>				
Personal Services	30,212	35,283	5,564	29,719
Contractual Services	250,040	302,775	295,000	7,775
Commodities	29,974	20,726	20,000	726
Capital Outlay	127,939	94,932	354,436	(259,504)
<u>Department Total</u>	<u>438,165</u>	<u>453,716</u>	<u>675,000</u>	<u>(221,284)</u>
<u>Election</u>				
Personal Services	8,307	7,203	17,500	(10,297)
Contractual Services	13,426	25,951	28,000	(2,049)
Commodities	1,171	2,744	1,850	894
Capital Outlay	-	-	-	-
<u>Department Total</u>	<u>22,904</u>	<u>35,898</u>	<u>47,350</u>	<u>(11,452)</u>
<u>Appraiser's Cost</u>				
Personal Services	109,689	126,709	126,901	(192)
Contractual Services	40,586	21,314	12,900	8,414
Commodities	5,307	5,718	72,475	(66,757)
Capital Outlay	2,872	5,777	-	5,777
<u>Department Total</u>	<u>158,454</u>	<u>159,518</u>	<u>212,276</u>	<u>(52,758)</u>
<u>Ambulance</u>				
Personal Services	306,014	329,054	355,000	(25,946)
Contractual Services	53,825	49,514	53,730	(4,216)
Commodities	27,437	36,191	34,000	2,191
Capital Outlay	580	1,280	-	1,280
<u>Department Total</u>	<u>387,856</u>	<u>416,039</u>	<u>442,730</u>	<u>(26,691)</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

GENERAL FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance- Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<u>Expenditures, Continued</u>				
<u>Mowing</u>				
Personal Services	37,987	36,402	35,000	1,402
Contractual Services	1,639	209	25,425	(25,216)
Commodities	6,743	7,652	13,670	(6,018)
<u>Department Total</u>	<u>46,369</u>	<u>44,263</u>	<u>74,095</u>	<u>(29,832)</u>
<u>Appropriations</u>				
Juvenile Detention	-	-	12,500	(12,500)
Fair Premiums	14,400	14,400	14,400	-
Fair Maintenance	26,601	27,663	30,000	(2,337)
Elderly	66,048	66,048	66,048	-
Conservation District	28,925	30,400	30,400	-
Mental Health	49,535	51,324	51,324	-
Mental Retardation	49,535	51,324	51,324	-
Neighborhood Revitalization Rebate	29,205	28,249	47,235	(18,986)
Loan Payoff	-	64,276	-	64,276
Convention & Tourism Bureau	-	-	17,000	(17,000)
Road & Bridge	-	-	400,000	(400,000)
Transfer to Equipment Reserve	80,450	292,000	135,000	157,000
<u>Total Appropriations</u>	<u>344,699</u>	<u>625,684</u>	<u>855,231</u>	<u>(229,547)</u>
<u>Total Expenditures</u>	<u>2,618,409</u>	<u>3,050,321</u>	<u>3,701,092</u>	<u>(650,771)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	23,635	(520,466)		
<u>Unencumbered Cash, January 1</u>	<u>1,840,207</u>	<u>1,863,842</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 1,863,842</u>	<u>1,343,376</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

ROAD AND BRIDGE FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 917,856	1,193,232	1,205,165	(11,933)
Delinquent Tax	4,900	7,768	-	7,768
Motor Vehicle Tax	116,507	120,490	130,640	(10,150)
Recreational Vehicle Tax	1,776	1,753	1,993	(240)
Rental Vehicle Excise Tax	21	34	-	34
16/20M Truck Tax	8,559	9,115	10,201	(1,086)
Special Highway Fuel Tax	360,501	354,951	369,987	(15,036)
Reimbursed Expenses	5,937	46,006	204,126	(158,120)
Transfer from Special Highway Improvements	42,801	-	-	-
<u>Total Cash Receipts</u>	<u>1,458,858</u>	<u>1,733,349</u>	<u>1,922,112</u>	<u>(188,763)</u>
<u>Expenditures</u>				
Public Works				
Personal Services	536,384	520,411	661,300	(140,889)
Contractual Services	86,047	105,273	66,000	39,273
Commodities	478,487	665,882	857,750	(191,868)
Capital Outlay	132,498	86,530	275,000	(188,470)
Transfer to Special				
Highway Improvement	188,105	301,515	20,000	281,515
Neighborhood Revitalization Rebate	36,557	60,276	57,936	2,340
<u>Total Expenditures</u>	<u>1,458,078</u>	<u>1,739,887</u>	<u>1,937,986</u>	<u>(198,099)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	780	(6,538)		
<u>Unencumbered Cash, January 1</u>	<u>15,094</u>	<u>15,874</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 15,874</u>	<u>9,336</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

HEALTH FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 66,636	65,926	66,301	(375)
Delinquent Tax	375	509	-	509
Motor Vehicle Tax	9,087	8,861	9,484	(623)
Recreational Vehicle Tax	139	129	145	(16)
Rental Vehicle Excise Tax	2	3	-	3
16/20M Truck Tax	688	705	741	(36)
Reimbursements and Grants	570,525	578,003	520,225	57,778
<u>Total Cash Receipts</u>	<u>647,452</u>	<u>654,136</u>	<u>596,896</u>	<u>57,240</u>
<u>Expenditures</u>				
Personal Services	438,584	457,808	485,831	(28,023)
Contractual Services	66,084	78,013	75,000	3,013
Commodities	125,259	127,220	89,378	37,842
Capital Outlay	6,750	1,412	10,000	(8,588)
Neighborhood Revitalization Rebate	2,654	3,316	3,187	129
<u>Total Expenditures</u>	<u>639,331</u>	<u>667,769</u>	<u>663,396</u>	<u>4,373</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	8,121	(13,633)		
<u>Unencumbered Cash, January 1</u>	<u>32,593</u>	<u>40,714</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 40,714</u>	<u>27,081</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

HISTORICAL RECORDS FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance- Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 32,922	33,993	34,216	(223)
Delinquent Tax	181	254	-	254
Motor Vehicle Tax	4,329	4,355	4,667	(312)
Recreational Vehicle Tax	66	63	71	(8)
Rental Vehicle Excise Tax	1	1	-	1
16/20M Truck Tax	314	340	364	(24)
<u>Total Cash Receipts</u>	<u>37,813</u>	<u>39,006</u>	<u>39,318</u>	<u>(312)</u>
<u>Expenditures</u>				
Culture and Recreation:				
Neighborhood Revitalization Rebate	1,311	1,712	1,645	67
Appropriation	36,502	37,294	37,673	(379)
<u>Total Expenditures</u>	<u>37,813</u>	<u>39,006</u>	<u>39,318</u>	<u>(312)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	-	-		
<u>Unencumbered Cash, January 1</u>	-	-		
<u>Unencumbered Cash, December 31</u>	<u>\$ -</u>	<u>-</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NOXIOUS WEED FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 98,767	104,436	102,647	1,789
Delinquent Tax	542	766	-	766
Motor Vehicle Tax	12,987	13,065	14,002	(937)
Recreational Vehicle Tax	198	190	214	(24)
Rental Vehicle Excise Tax	2	4	-	4
16/20M Truck Tax	943	1,019	1,093	(74)
Chemical Sales	153,231	132,614	175,909	(43,295)
<u>Total Cash Receipts</u>	<u>266,670</u>	<u>252,094</u>	<u>293,865</u>	<u>(41,771)</u>
<u>Expenditures</u>				
Conservation and Environment:				
Personal Services	62,578	65,063	90,474	(25,411)
Contractual Services	10,028	9,805	11,540	(1,735)
Commodities	195,281	159,147	206,750	(47,603)
Capital Outlay	850	127	-	127
Neighborhood Revitalization Rebate	3,934	5,263	4,935	328
Transfer to Noxious Weed				
Capital Outlay	12,000	12,000	12,000	-
<u>Total Expenditures</u>	<u>284,671</u>	<u>251,405</u>	<u>325,699</u>	<u>(74,294)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	(18,001)	689		
<u>Unencumbered Cash, January 1</u>	<u>53,458</u>	<u>35,457</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 35,457</u>	<u>36,146</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

COURTHOUSE MAINTENANCE FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 98,767	104,436	102,647	1,789
Delinquent Tax	543	766	-	766
Motor Vehicle Tax	12,987	13,065	14,002	(937)
Recreational Vehicle Tax	198	190	214	(24)
Rental Vehicle Excise Tax	2	4	-	4
16/20M Truck Tax	943	1,019	1,093	(74)
Collections	-	69,199	-	69,199
<u>Total Cash Receipts</u>	<u>113,440</u>	<u>188,679</u>	<u>117,956</u>	<u>70,723</u>
<u>Expenditures</u>				
Neighborhood Revitalization Rebate	3,934	5,263	4,935	328
Appropriation	181,875	487	171,370	(170,883)
<u>Total Expenditures</u>	<u>185,809</u>	<u>5,750</u>	<u>176,305</u>	<u>(170,555)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	(72,369)	182,929		
<u>Unencumbered Cash, January 1</u>	<u>99,108</u>	<u>26,739</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 26,739</u>	<u>209,668</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

SPECIAL ALCOHOL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Private Club Liquor Tax	\$ 10,988	10,589	12,000	(1,411)
<u>Expenditures</u>				
Public Health:				
Personal Services	723	481	1,000	(519)
Commodities	1,498	721	1,000	(279)
Appropriations	-	300	4,000	(3,700)
Alcohol & Drug Programs	5,100	9,583	26,708	(17,125)
<u>Total Expenditures</u>	<u>7,321</u>	<u>11,085</u>	<u>32,708</u>	<u>(21,623)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	3,667	(496)		
<u>Unencumbered Cash, January 1</u>	<u>21,245</u>	<u>24,912</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 24,912</u>	<u>24,416</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

SPECIAL PARKS AND RECREATION FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>	<u>Variance -</u>
	<u>Actual</u>	<u>Actual Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>			
Taxes and Shared Revenue:			
Private Club Liquor Tax	\$ 3,243	2,733 4,000	(1,267)
<u>Expenditures</u>			
Culture and Recreation:			
Contractual Services	-	- -	-
Donations	1,350	3,300 9,071	(5,771)
<u>Total Expenditures</u>	1,350	3,300 9,071	(5,771)
<u>Receipts Over (Under)</u>			
<u>Expenditures</u>	1,893	(567)	
<u>Unencumbered Cash, January 1</u>	4,071	5,964	
<u>Unencumbered Cash, December 31</u>	\$ 5,964	5,397	

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

EMPLOYEE BENEFITS FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 852,926	937,644	947,061	(9,417)
Delinquent Tax	4,227	6,411	-	6,411
Motor Vehicle Tax	94,019	109,197	121,416	(12,219)
Recreational Vehicle Tax	1,433	1,585	1,852	(267)
Rental Vehicle Excise Tax	17	30	-	30
16/20M Truck Tax	6,732	7,405	9,480	(2,075)
Reimbursements	176,395	195,023	150,000	45,023
<u>Total Cash Receipts</u>	<u>1,135,749</u>	<u>1,257,295</u>	<u>1,229,809</u>	<u>27,486</u>
<u>Expenditures</u>				
Employee Benefits:				
Social Security	194,492	201,836	240,000	(38,164)
K.P.E.R.S.	131,384	152,958	150,000	2,958
Unemployment Tax	4,690	3,609	12,000	(8,391)
Worker's Compensation	121,788	136,914	135,000	1,914
Life Insurance	4,264	6,701	8,000	(1,299)
Health Insurance	627,889	704,780	750,000	(45,220)
Miscellaneous	6	-	-	-
Neighborhood Revitalization Rebate	33,973	47,365	45,528	1,837
<u>Total Expenditures</u>	<u>1,118,486</u>	<u>1,254,163</u>	<u>1,340,528</u>	<u>(86,365)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	17,263	3,132		
<u>Unencumbered Cash, January 1</u>	<u>212,119</u>	<u>229,382</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 229,382</u>	<u>232,514</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

EMERGENCY 911 FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>				
Telephone User Fees	\$ 40,060	30,731	60,000	(29,269)
<u>Expenditures</u>				
Public Safety:				
Equipment and Operations	27,198	28,629	91,305	(62,676)
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	12,862	2,102		
<u>Unencumbered Cash, January 1</u>	31,305	44,167		
<u>Unencumbered Cash, December 31</u>	\$ 44,167	46,269		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NOXIOUS WEED CAPITAL OUTLAY FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		<u>Variance -</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
<u>Cash Receipts</u>				<u>(Under)</u>
Transfer from Noxious Weed Fund	\$ 12,000	12,000	12,000	-
<u>Expenditures</u>				
Conservation and Environment: Capital Outlay	13,540	1,800	81,598	(79,798)
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	(1,540)	10,200		
<u>Unencumbered Cash, January 1</u>	<u>72,598</u>	<u>71,058</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 71,058</u>	<u>81,258</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

WASTE DISPOSAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>				
User Fees	\$ 237,918	244,640	205,350	39,290
User Fees - Special Assessments	172,649	179,301	182,186	(2,885)
Recycling Sales	-	-	30,000	(30,000)
Pasture Rent	-	-	1,500	(1,500)
Reimbursements	-	16,215	14,714	1,501
<u>Total Cash Receipts</u>	<u>410,567</u>	<u>440,156</u>	<u>433,750</u>	<u>6,406</u>
<u>Expenditures</u>				
Sanitation:				
Personal Services	133,608	131,782	134,680	(2,898)
Contractual Services	75,160	74,534	64,545	9,989
Commodities	71,662	83,477	89,695	(6,218)
Capital Outlay	1,000	3,606	3,600	6
Reimbursement to General	-	-	-	-
Transfer to Landfill				
Post/Closure	48,590	33,590	48,590	(15,000)
Transfer to Solid Waste				
Capital Outlay	20,000	50,000	51,000	(1,000)
Transfer to Solid Waste				
Landfill Improvement	50,000	50,000	50,000	-
<u>Total Expenditures</u>	<u>400,020</u>	<u>426,989</u>	<u>442,110</u>	<u>(15,121)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	10,547	13,167		
<u>Unencumbered Cash, January 1</u>	<u>96,107</u>	<u>106,654</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 106,654</u>	<u>119,821</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

WASTE DISPOSAL CAPITAL OUTLAY FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>	<u>Variance -</u>
	<u>Actual</u>	<u>Actual</u> <u>Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>			
Transfer from Solid Waste Fund	\$ 20,000	50,000 51,000	(1,000)
<u>Expenditures</u>			
Sanitation: Capital Outlay	37,381	38,600 157,217	(118,617)
<u>Receipts Over (Under)</u>			
<u>Expenditures</u>	(17,381)	11,400	
<u>Unencumbered Cash, January 1</u>	95,217	77,836	
<u>Unencumbered Cash, December 31</u>	\$ 77,836	89,236	

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

ECONOMIC DEVELOPMENT FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 98,767	101,912	102,647	(735)
Delinquent Tax	503	738	-	738
Motor Vehicle Tax	11,771	13,065	14,002	(937)
Recreational Vehicle Tax	180	190	214	(24)
Rental Vehicle Excise Tax	2	4	-	4
16/20M Truck Tax	515	1,019	1,093	(74)
Sale of Real Estate	-	135,824	-	135,824
Other Receipts	27,825	11,954	-	11,954
<u>Total Cash Receipts</u>	<u>139,563</u>	<u>264,706</u>	<u>117,956</u>	<u>146,750</u>
<u>Expenditures</u>				
Personal Services	27,264	18,250	-	18,250
Contractual Services	64,491	52,422	99,072	(46,650)
Commodities	473	42	-	42
Capital Outlay	33,965	20,802	65,515	(44,713)
Neighborhood Revitalization Rebate	3,934	5,133	4,935	198
<u>Total Expenditures</u>	<u>130,127</u>	<u>96,649</u>	<u>169,522</u>	<u>(72,873)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	9,436	168,057		
<u>Unencumbered Cash, January 1</u>	<u>141,655</u>	<u>151,091</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 151,091</u>	<u>319,148</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

SPECIAL BRIDGE FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 FOR THE YEAR ENDED DECEMBER 31, 2008
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 98,372	101,912	102,647	(735)
Delinquent Tax	524	744	-	744
Motor Vehicle Tax	12,987	13,024	14,002	(978)
Recreational Vehicle Tax	198	190	214	(24)
16/20M Truck Tax	967	1,034	1,093	(59)
Rental Vehicle Excise Tax	2	4	-	4
Insurance Reimbursement	-	100,000	100,000	-
<u>Total Cash Receipts</u>	<u>113,050</u>	<u>216,908</u>	<u>217,956</u>	<u>(1,048)</u>
<u>Expenditures</u>				
Contractual Services	9,783	147,612	-	147,612
Commodities	46,381	86,860	413,530	(326,670)
Capital Outlay	-	2,592	-	2,592
Neighborhood Revitalization Rebate	3,918	5,133	4,935	198
<u>Total Expenditures</u>	<u>60,082</u>	<u>242,197</u>	<u>418,465</u>	<u>(176,268)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	52,968	(25,289)		
<u>Unencumbered Cash, January 1</u>	<u>147,541</u>	<u>200,509</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 200,509</u>	<u>175,220</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

CELL PHONE 911

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Collections	\$ 13,899	17,178	25,000	(7,822)
State Grant	33,800	-	-	-
Interest Income	227	260	-	260
<u>Total Cash Receipts</u>	<u>47,926</u>	<u>17,438</u>	<u>25,000</u>	<u>(7,562)</u>
<u>Expenditures</u>				
Equipment & Maintenance	9,530	1,111	50,792	(49,681)
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	38,396	16,327		
<u>Unencumbered Cash, January 1</u>	<u>(22,876)</u>	<u>15,520</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 15,520</u>	<u>31,847</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>EQUIPMENT RESERVE</u>	<u>2007</u>	<u>2008</u>
	<u>Actual</u>	<u>Actual</u>
<u>Cash Receipts</u>		
Transfer from General Fund	\$ 80,450	292,000
<u>Expenditures</u>		
Capital Outlay	71,084	56,392
<u>Receipts Over (Under) Expenditures</u>	9,366	235,608
<u>Unencumbered Cash, January 1</u>	118,616	127,982
<u>Unencumbered Cash, December 31</u>	<u>\$ 127,982</u>	<u>363,590</u>
<u>CONCEALED HAND GUN</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Fees	\$ 840	320
<u>Expenditures</u>		
Contractual Services	-	-
<u>Receipts Over (Under) Expenditures</u>	840	320
<u>Unencumbered Cash, January 1</u>	640	1,480
<u>Unencumbered Cash, December 31</u>	<u>\$ 1,480</u>	<u>1,800</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>SPECIAL HIGHWAY IMPROVEMENTS FUND</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Transfer from Road and Bridge	<u>\$ 188,105</u>	<u>301,515</u>
<u>Expenditures</u>		
Transfer to Road and Bridge	<u>42,801</u>	<u>-</u>
<u>Receipts Over (Under) Expenditures</u>	145,304	301,515
<u>Unencumbered Cash, January 1</u>	<u>42,801</u>	<u>188,105</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 188,105</u>	<u>489,620</u>
<u>CLAY COUNTS - PREVENTION</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
State Grants	<u>\$ -</u>	<u>37,826</u>
<u>Expenditures</u>		
Personal Services	-	13,233
Contractual Services	-	25,948
Commodities	-	12
<u>Total Expenditures</u>	<u>-</u>	<u>39,193</u>
<u>Receipts Over (Under) Expenditures</u>	-	(1,367)
<u>Unencumbered Cash, January 1</u>	<u>-</u>	<u>-</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ -</u>	<u>(1,367)</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>SHERIFF'S DRUG ASSET FORFEITURE</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Restitution	\$ 150	-
<u>Expenditures</u>		
Program Expenditures	1,215	1,735
<u>Receipts Over (Under)</u>		
<u>Expenditures</u>	(1,065)	(1,735)
<u>Unencumbered Cash, January 1</u>	6,756	5,691
<u>Unencumbered Cash, December 31</u>	<u>\$ 5,691</u>	<u>3,956</u>
<u>REGISTERED OFFENDER</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Restitution	\$ -	360
<u>Expenditures</u>		
Program Expenditures	-	-
<u>Receipts Over (Under)</u>		
<u>Expenditures</u>	-	360
<u>Unencumbered Cash, January 1</u>	-	-
<u>Unencumbered Cash, December 31</u>	<u>\$ -</u>	<u>360</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>SOLID WASTE LANDFILL IMPROVEMENT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Transfer From Solid Waste	<u>\$ 50,000</u>	<u>50,000</u>
<u>Expenditures</u>		
Contractual Services	-	-
Capital Outlay	<u>-</u>	<u>-</u>
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>
<u>Receipts Over (Under) Expenditures</u>	50,000	50,000
<u>Unencumbered Cash, January 1</u>	<u>265,174</u>	<u>315,174</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 315,174</u>	<u>365,174</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>AMBULANCE GRANT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Collections	\$ 319	4,441
<u>Total Cash Receipts</u>	<u>319</u>	<u>4,441</u>
<u>Expenditures</u>		
Equipment & Supplies	839	8,507
<u>Receipts Over (Under) Expenditures</u>	(520)	(4,066)
<u>Unencumbered Cash, January 1</u>	<u>5,548</u>	<u>5,028</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 5,028</u>	<u>962</u>
<u>CITIZENS CORP GRANT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
State Grant	\$ -	-
<u>Total Cash Receipts</u>	<u>-</u>	<u>-</u>
<u>Expenditures</u>		
Equipment & Supplies	-	-
<u>Receipts Over (Under) Expenditures</u>	-	-
<u>Unencumbered Cash, January 1</u>	<u>3,885</u>	<u>3,885</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 3,885</u>	<u>3,885</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUALFOR THE YEAR ENDED DECEMBER 31, 2008(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>REGISTER OF DEEDS TECHNOLOGY</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Technology Fees	\$ 12,192	10,224
<u>Total Cash Receipts</u>	<u>12,192</u>	<u>10,224</u>
<u>Expenditures</u>		
Equipment & Supplies	-	10,983
<u>Receipts Over (Under) Expenditures</u>	<u>12,192</u>	<u>(759)</u>
<u>Unencumbered Cash, January 1</u>	<u>30,606</u>	<u>42,798</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 42,798</u>	<u>42,039</u>

<u>EMERGENCY MANAGEMENT GRANT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
State Grant	\$ -	-
<u>Total Cash Receipts</u>	<u>-</u>	<u>-</u>
<u>Expenditures</u>		
Training & Supplies	-	8,049
<u>Receipts Over (Under) Expenditures</u>	<u>-</u>	<u>(8,049)</u>
<u>Unencumbered Cash, January 1</u>	<u>-</u>	<u>-</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ -</u>	<u>(8,049)</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

BOND AND INTEREST FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	2007	2008		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 154,627	161,537	162,045	(508)
Delinquent Tax	884	1,228	-	1,228
Motor Vehicle Tax	21,708	21,272	22,010	(738)
Recreational Vehicle Tax	331	311	336	(25)
Rental Vehicle Excise Tax	4	7	-	7
16/20M Truck Tax	843	1,910	1,719	191
<u>Total Cash Receipts</u>	<u>178,397</u>	<u>186,265</u>	<u>186,110</u>	<u>155</u>
<u>Expenditures</u>				
Debt Service:				
Bond Principal	124,250	130,750	130,750	-
Bond Interest	56,048	50,658	50,658	-
Commission and Postage	-	1	10	(9)
Cash-Basis Requirement	-	-	50,000	(50,000)
Neighborhood Revitalization Rebate	6,157	8,105	7,790	315
<u>Total Expenditures</u>	<u>186,455</u>	<u>189,514</u>	<u>239,208</u>	<u>(49,694)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	(8,058)	(3,249)		
<u>Unencumbered Cash, January 1</u>	<u>54,641</u>	<u>46,583</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 46,583</u>	<u>43,334</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

BRIDGE IMPROVEMENT SALES TAX
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Over (Under)
<u>Cash Receipts</u>				
Taxes and Shared Revenue:				
Sales Tax Proceeds	\$ 469,971	502,762	440,000	62,762
Loan Proceeds	499,821	-	-	-
<u>Total Cash Receipts</u>	<u>969,792</u>	<u>502,762</u>	<u>440,000</u>	<u>62,762</u>
<u>Expenditures</u>				
Debt Service:				
Bond Principal	165,750	174,250	174,250	-
Bond Interest	44,867	38,817	38,818	(1)
Commission and Postage	4	3	20	(17)
Loan Principal	161,598	147,779	234,895	(87,116)
Loan Interest	73,297	87,116	-	87,116
Contractual Services	313,258	-	-	-
<u>Total Expenditures</u>	<u>758,774</u>	<u>447,965</u>	<u>447,983</u>	<u>(18)</u>
<u>Receipts Over (Under)</u>				
<u>Expenditures</u>	211,018	54,797		
<u>Unencumbered Cash, January 1</u>	<u>1,008,866</u>	<u>1,219,884</u>		
<u>Unencumbered Cash, December 31</u>	<u>\$ 1,219,884</u>	<u>1,274,681</u>		

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUND
LANDFILL POST-CLOSURESTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Transfer from Waste Disposal	\$ 48,590	33,590
Interest Income	46,573	13,376
	<u>95,163</u>	<u>46,966</u>
<u>Total Cash Receipts</u>		
	<u>95,163</u>	<u>46,966</u>
<u>Expenditures</u>		
Contractual Services	-	402
Commodities	-	250
	<u>-</u>	<u>652</u>
<u>Total Expenditures</u>		
	<u>-</u>	<u>652</u>
<u>Receipts Over (Under) Expenditures</u>	95,163	46,314
<u>Unencumbered Cash, January 1</u>	<u>522,566</u>	<u>617,729</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 617,729</u>	<u>664,043</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUND2002 SERIES A BONDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUALFOR THE YEAR ENDED DECEMBER 31, 2008(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Interest Income	\$ 17,280	7,115
<u>Total Cash Receipts</u>	<u>17,280</u>	<u>7,115</u>
<u>Expenditures</u>		
Contractual Services	-	-
Commodities	-	-
Capital Outlay	-	-
<u>Total Expenditures</u>	<u>-</u>	<u>-</u>
<u>Receipts Over (Under) Expenditures</u>	17,280	7,115
<u>Unencumbered Cash, January 1</u>	<u>185,869</u>	<u>203,149</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 203,149</u>	<u>210,264</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>SHERIFF'S BENEFIT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Donations	\$ -	1,634
Interest Income	25	25
<u>Total Cash Receipts</u>	<u>25</u>	<u>1,659</u>
<u>Expenditures</u>		
Equipment & Supplies	235	1,148
<u>Receipts Over (Under) Expenditures</u>	<u>(210)</u>	<u>511</u>
<u>Unencumbered Cash, January 1</u>	<u>12,875</u>	<u>12,665</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 12,665</u>	<u>13,176</u>
<u>SHERIFF'S INMATE</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Inmate Deposits	\$ 56,096	27,765
<u>Expenditures</u>		
Equipment & Supplies	31,759	53,524
<u>Receipts Over (Under) Expenditures</u>	<u>24,337</u>	<u>(25,759)</u>
<u>Unencumbered Cash, January 1</u>	<u>3,794</u>	<u>28,131</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 28,131</u>	<u>2,372</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDSSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>AMBULANCE SPECIAL EQUIPMENT</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Donations	\$ 828	240
Interest Income	18	8
<u>Total Cash Receipts</u>	<u>846</u>	<u>248</u>
<u>Expenditures</u>		
Equipment & Supplies	2,919	-
<u>Receipts Over (Under) Expenditures</u>	<u>(2,073)</u>	<u>248</u>
<u>Unencumbered Cash, January 1</u>	<u>3,519</u>	<u>1,446</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ 1,446</u>	<u>1,694</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NON-BUDGETED FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

<u>AMBULANCE SERVICE</u>	<u>2007</u>	<u>2008</u>
<u>Cash Receipts</u>		
Patient Charges	\$ 188,107	268,973
State of Kansas	<u>5,773</u>	<u>1,913</u>
<u>Total Cash Receipts</u>	<u>193,880</u>	<u>270,886</u>
<u>Expenditures</u>		
Equipment & Supplies	<u>197,538</u>	<u>267,210</u>
<u>Receipts Over (Under) Expenditures</u>	(3,658)	3,676
<u>Unencumbered Cash, January 1</u>	<u>53</u>	<u>(3,605)</u>
<u>Unencumbered Cash, December 31</u>	<u>\$ (3,605)</u>	<u>71</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

DISTRIBUTABLE FUNDS, STATE FUNDS, AND SUBDIVISION FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Distributable Funds:				
Ad Valorem Taxes:				
Current Tax	\$ 5,803,988	10,012,227	9,584,103	6,232,112
Advance Tax	-	1,043	1,043	-
Current Tax Holding	1,874	24,400	23,540	2,734
Delinquent Real Estate Tax Holding	13,746	81,581	58,797	36,530
Old Tax Payments	-	85	-	85
Delinquent Personal Property Tax	1,830	11,480	12,750	560
Motor Vehicle Rental Excise Tax	220	330	352	198
Motor Vehicle Tax	224,855	1,132,262	1,135,796	221,321
Flood Control	-	10,708	10,708	-
NRP Tax Holding	-	417,884	417,884	-
Mortgage Co. Holding	1,540	4,626	6,166	-
City/County Trans. Guest	20,407	11,448	8,552	23,303
City/County Highway	-	393,825	393,825	-
Total Distributable Funds	\$ 6,068,460	12,101,899	11,653,516	6,516,843
State Funds:				
State Educational Building	\$ -	79,653	79,653	-
Institutional Building	-	39,827	39,827	-
State General	-	1	1	-
Game Licenses and Park Permits	-	-	-	-
Drivers' Licenses	-	14,218	14,218	-
Motor Vehicle Licenses	2,101	588,233	587,669	2,665
Sales and Compensating Tax	10,007	223,829	214,481	19,355
Total State Funds	\$ 12,108	945,761	935,849	22,020

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

DISTRIBUTABLE FUNDS, STATE FUNDS, AND SUBDIVISION FUNDS
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Subdivision Funds:				
Cities	\$ 15,229	1,803,764	1,777,358	41,635
Townships	-	-	-	-
School Districts	-	2,886,171	2,886,171	-
Rural Highway District	19,462	795,123	813,342	1,243
Fire Districts	213	136,031	136,025	219
Cemeteries	-	54,308	54,308	-
Watershed District	-	170,328	170,328	-
NCKL System	-	54,598	54,598	-
<u>Total Subdivision Funds</u>	<u>\$ 34,904</u>	<u>5,900,323</u>	<u>5,892,130</u>	<u>43,097</u>
Other Agency Funds:				
Clay County Veterans	\$ 5,982	166	-	6,148
Treasurer's Special				
Auto	43,831	37,795	38,248	43,378
Stray Animal	726	-	-	726
P.A.T.F.	1,003	699	810	892
Drug Tax	419	292	-	711
Cash Long/Short	24	-	-	24
Hospital Proceeds	220,000	-	-	220,000
Hospital Bond Reserve	369,403	486,740	628,731	227,412
Hospital Proceeds #2	250,000	-	-	250,000
Clerk of the District				
Court	8,279	269,688	265,791	12,176
Riverside Drainage	80,747	5,253	3,358	82,642
Bankruptcy	803	528	-	1,331
Unclaimed Money	847	-	-	847
<u>Total Other Trust Funds</u>	<u>\$ 982,064</u>	<u>711,695</u>	<u>936,938</u>	<u>846,287</u>
<u>Total All Agency Funds</u>	<u>\$ 7,097,536</u>	<u>19,659,678</u>	<u>19,418,433</u>	<u>7,428,247</u>

The notes to the financial statements are an integral part of this statement.

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows:

1. Reporting Entity

Clay County, Kansas, is a municipal corporation governed by an elected three-member board of commissioners. These financial statements present Clay County, Kansas, the primary government only. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statements do not include the financial data of component units of Clay County, Kansas.

2. Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the County for the year of 2008:

Governmental Funds:

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expend for specified purposes.

Debt Service Funds - to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the County.

Capital Projects Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

Proprietary Funds:

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises—where the stated intent is that the costs (expenditures) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges—or where periodic determination of cash receipts, expenditures and/or receipts over expenditures is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds:

Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust Funds and Agency Funds.

3. Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. In accounting for such reimbursements, Clay County, Kansas records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund, following the authoritative guidance of the *Governmental Accounting, Auditing and Financial Reporting*.

4. Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The County has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the County to use the statutory basis of accounting.

5. Departure from Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the County are not presented in the financial statements.

6. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Budgetary Information, Continued

enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the County Commission to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. An amended budget was adopted on December 29, 2008, to increase spending in the Road & Bridge, Special Bridge, and Solid Waste funds due to previously unbudgeted increases in revenue.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the County for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special revenue funds:

- Equipment Reserve
- Concealed Hand Gun
- Special Highway Improvements
- Clay Counts - Prevention
- Sheriff's Drug Asset Forfeiture Fund
- Registered Offender
- Ambulance Grant
- Solid Waste Landfill Improvement
- Register of Deeds Technology
- Citizens Corp Grant
- Emergency Management Grant

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Budgetary Information, Continued

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by use of internal spending limits established by the County Commission.

7. Tax Cycle

The county clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to the county treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at a rate established by the State of Kansas. The interest rate was 11% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the County after January 1st and were distributed by the county treasurer periodically. At least 50% of the taxes levied were available in January. Delinquent tax collections were distributed throughout the year.

NOTE B – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds have a main or branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County has no designated "peak periods". Deposits of \$355,802 were left unsecured at December 31, 2008.

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE B – DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2008, the County's carrying amount of deposits was \$13,748,136 and the bank balance was \$14,010,433. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$1,250,000 was covered by federal depository insurance, \$12,404,631 was collateralized with securities held by the pledging financial institutions' agents in the County's name and the balance of \$355,802 was unsecured at year end.

The Government had no investments in 2008.

NOTE C – COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney.

Budget Law Compliance:

K.S.A. 79-2935 provides that it shall be unlawful for the governing body to create indebtedness in any fund in excess of the adopted budget of expenditures of such fund.

For the year ended December 31, 2008, the following fund was in violation of this statute:

<u>Fund Name</u>	<u>Excess</u>
Health	\$ 4,373

Cash Basis Compliance:

K.S.A. 10-1113 provides that it shall be unlawful for the governing body to create indebtedness in any fund in excess of the amount of funds actually on hand in the treasury of such municipality at the time for such purpose.

For the year ended December 31, 2008, the following funds were in violation of this statute:

<u>Fund Name</u>	<u>Excess</u>
Clay Counts - Prevention	\$ 1,367
Emergency Management Grant	\$ 8,049

NOTE D – INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Equipment Reserve Fund	K.S.A. 19-119	\$ 292,000
Noxious Weed	Noxious Weed Capital Outlay	K.S.A. 2-1318	12,000
Road & Bridge	Special Highway Improv.	K.S.A. 68-509	301,515
Solid Waste	Landfill Post/Closure	K.S.A. 65-204	33,590
Solid Waste	S.W. Capital Outlay	K.S.A. 65-204	50,000
Solid Waste	S.W. Landfill Improvement	K.S.A. 65-204	50,000

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE E – LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2008, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>2008 Interest Paid</u>
General Obligation Bonds:										
Hospital Refunding	3.90 - 4.85%	11/1/1997	1,625,000	10/1/2011	\$ 765,000	-	180,000	(180,000)	585,000	36,455
Bridge Construction Refunding	3.90 - 5.10%	11/1/1997	1,375,000	10/1/2015	895,000	-	100,000	(100,000)	795,000	43,808
Series 2002A	3.35 - 4.25%	4/25/2002	2,000,000	10/1/2012	1,125,000	-	205,000	(205,000)	920,000	45,667
					2,785,000	-	485,000	(485,000)	2,300,000	125,930
Revenue Bonds:										
Series 2006A	4.10 - 5.25%	3/29/2006	2,500,000	10/1/2020	2,500,000	-	-	-	2,500,000	120,447
					2,500,000	-	-	-	2,500,000	120,447
KDOT Loan:	3.78%	4/17/2006	2,580,729	8/1/2020	2,304,651		147,779	(147,779)	2,156,872	87,116
					2,304,651	-	147,779	(147,779)	2,156,872	87,116
Capital Leases:										
Shop Building	3.98%	2/28/2005	152,000	2/28/2010	79,741	-	79,741	(79,741)	-	1,448
					79,741	-	79,741	(79,741)	-	1,448
Total Contractual Indebtedness					7,669,392	-	712,520	(712,520)	6,956,872	334,941
Compensated Absences					209,359	14,699	-	14,699	224,058	
Total Long-Term Debt					\$ 7,878,751	14,699	712,520	(697,821)	7,180,930	334,941

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE E - LONG-TERM DEBT (Continued)

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	2009	2010	2011	2012	2013	2014-2018	2019-2020	Total
PRINCIPAL								
General Obligation Bonds:								
Hospital Refunding	\$ 190,000	195,000	200,000	-	-	-	-	585,000
Bridge Construction Refunding Series 2002A	105,000	105,000	110,000	120,000	125,000	230,000	-	795,000
	215,000	225,000	235,000	245,000	-	-	-	920,000
Total General Obligation Bonds	510,000	525,000	545,000	365,000	125,000	230,000	-	2,300,000
Revenue Bonds:								
Hospital Revenue Bond Series 2006A	-	-	205,000	210,000	220,000	1,270,000	595,000	2,500,000
KDOT Loan	153,365	159,163	165,179	171,423	177,902	995,613	334,227	2,156,872
TOTAL PRINCIPAL	663,365	684,163	915,179	746,423	522,902	2,495,613	929,227	6,956,872
INTEREST								
General Obligation Bonds:								
Hospital Refunding	28,085	19,060	9,700	-	-	-	-	56,845
Bridge Construction Refunding Series 2002A	39,157	34,170	29,130	23,795	17,915	16,765	-	160,932
	37,877	29,278	20,165	10,413	-	-	-	97,733
Total General Obligation Bonds	105,119	82,508	58,995	34,208	17,915	16,765	-	315,510
Revenue Bonds:								
Hospital Revenue Bond Series 2006A	120,448	120,447	120,448	112,042	113,117	350,968	47,105	984,575
KDOT Loan	81,530	75,733	69,716	63,472	56,993	178,862	16,866	543,172
TOTAL INTEREST	307,097	278,688	249,159	209,722	188,025	546,595	63,971	1,843,257
TOTAL PRINCIPAL & INTEREST	\$ 970,462	962,851	1,164,338	956,145	710,927	3,042,208	993,198	8,800,129

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

NOTE F – DEFINED BENEFIT PENSION PLAN

Plan Description. Clay County, Kansas contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established for 2008 is 5.93%. Clay County employer contributions to KPERS for the years ending December 31, 2008, 2007, and 2006 were \$154,793, \$137,506, and \$107,275, respectively, equal to the required contributions for each year.

NOTE G – DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code section 457. The plan is administered by Nationwide Retirement System. The plan is available to all employees and permits them to defer a portion of their salary until future years. The County does not contribute to the plan.

NOTE H – COMPENSATED ABSENCES

The County's policy regarding vacation leave allows employees to accumulate vacation time based on years of continuous service as follows:

<u>Years of Continuous Service</u>	<u>Vacation Days Accrued</u>	<u>Maximum Accrual</u>
Ten or Less	1.25 days/mo.	15 days
10 to 20	1.50 days/mo.	18 days
Over 20	1.75 days/mo.	21 days

Vacation leave is earned by the month. If an employee leaves the County, they are entitled to a payment of all accrued vacation pay earned prior to termination or resignation.

Employees are allowed one day of sick leave per month of employment and may accumulate up to 120 days of unused sick leave. Upon retirement or termination, all accumulated sick pay is forfeited.

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2008**

NOTE H – COMPENSATED ABSENCES (Continued)

Part time employees earn vacation and sick leave based on a rate of half that earned by full time employees which has been stated above.

The County has estimated the dollar amount of accumulated vacation for all employees at December 31, 2008 of \$224,058. The net effect of all increases and decreases in compensated absences for the year was an increase of \$14,699.

The only estimate in these financial statements is in the calculation of the compensated absences balance. Actual results could differ from this estimate.

NOTE I – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against risk of these types of losses, the County has purchased commercial insurance coverage from Heilman Insurance Agency and State Farm Insurance Agency. The County also joined together with other counties in the State to participate in Kansas Workers Risk Cooperative for Counties which provides insurance programs for participating members. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

NOTE J - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Under the basis of accounting discussed in Note A, the County recognizes expense, generally, when paid; therefore, the closure and postclosure care costs (estimated through December 31, 2008 at \$746,298) will be recognized in future years as incurred.

The estimated remaining life of the County landfill is 27.42 years. The liability at December 31, 2008 is estimated based on 40.17% of the total capacity utilized at that date. Estimated total costs of closure and postclosure care of \$1,857,734 are based on what it would cost to perform all closure and postclosure care in 2008. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County is not required to fund a reserve to pay closure and postclosure care costs. However, the County has voluntarily established a Landfill Post-Closure Fund to reserve funds for these costs. A transfer of \$33,590 was made to this fund in 2008. The balance of this postclosure reserve fund is now \$664,043 as of December 31, 2008.

CLAY COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENTS **DECEMBER 31, 2008**

NOTE K – 2007 FINANCIAL DATA

The amounts shown for 2007 in the financial statements are included where practicable, only to provide a basis for comparison with 2008, and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

Rounding variances may exist between amounts reported for the 2007 calendar year in these financial statements and the amounts reported in the 2007 audited financial statements.

NOTE L – LITIGATION

As of November 20, 2009, the County has no claims of which are expected to have a material effect on the entity.

NOTE M – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.